



**THOMAS L. GARTHWAITE, M.D.**  
Director and Chief Medical Officer

**FRED LEAF**  
Chief Operating Officer

COUNTY OF LOS ANGELES  
DEPARTMENT OF HEALTH SERVICES  
313 N. Figueroa, Los Angeles, CA 90012  
(213) 240-8101

**BOARD OF SUPERVISORS**

**Gloria Molina**  
First District

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Fifth District

September 29, 2005

The Honorable Board of Supervisor  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF DELEGATION OF DUTIES AND  
ASSIGNMENT OF RIGHTS AGREEMENT FOR ACCORDIS, INC.**  
(All Districts) (3 Votes)

IT IS RECOMMENDED THAT YOUR BOARD:

Approve and instruct the Director of Health Services, or his designee to sign an Assignment and Delegation Agreement, substantially similar to Exhibit I, to allow Accordis, Inc. (County Agreement No. H-219553), formerly know as Health Management Systems, to assign and delegate its rights and responsibilities to Accordis Holding Corporation, a newly created independent company, effective August 31, 2005.

PURPOSE OF THE RECOMMENDED ACTIONS/JUSTIFICATION:

The purpose of this action is to obtain Board approval to allow Accordis, Inc. to assign and delegate its rights and responsibilities to provide financial management services under their current County Agreement to Accordis Holding Corporation.

FISCAL IMPACT/FINANCING:

There is no net County cost involved in this action.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

On June 1, 1999, the Board approved the Agreement with Health Management Systems (HMS) for the provision of commercial insurance billing services, Medi-Cal billing and follow-up services, financial management and consulting services, and Secondary Third-Party Resource Identification and Recovery Services.

The Board approved an Assignment and Delegation to transfer ownership from HMS to Accordis Inc. on November 18, 2003. Subsequent amendments excluded Medi-Cal Report settlements from being a basis on which Accordis is paid, added provisions for Disproportionate Share Recovery Services at County health facilities and Medi-Cal Drug Treatment Claim Processing Services for the County's Alcohol and Drug Program Administration office, added new provisions, revised payment calculations, and extended the term through June 30, 2006 to allow time for the Department of Health Services to complete a competitive planned selection process.

On August 30, 2005, HMS Holding Corporation, the parent company of Accordis, Inc., divested 100% ownership of Accordis, Inc. to Accordis Holding Corporation, a newly created independent company.

This Delegation of Duties and Assignment of Agreement has been approved as to form by County Counsel.

Attachment A provides additional information.

CONTRACTING PROCESS:

Not applicable. An Assignment and Delegation Agreement is between the contracting parties and as such, is not advertised on the L.A. County Online Countywide Website as a contract/business opportunity.

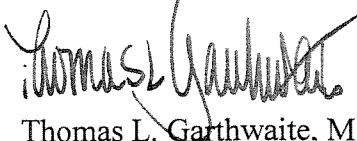
IMPACT ON CURRENT SERVICES (OR PROJECTS):

Approval of this recommended action will ensure that all financial management services currently provided by Accordis, Inc. will continue uninterrupted through June 30, 2006.

The Honorable Board of Supervisors  
September 29, 2005  
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When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Thomas L. Garthwaite", written over the printed name.

Thomas L. Garthwaite, M.D.  
Director and Chief Medical Officer

TLG:

Attachments (2)

c: Chief Administrative Officer  
County Counsel  
Executive Officer, Board of Supervisors

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**SUMMARY OF DELEGATION OF DUTIES AND ASSIGNMENT AGREEMENT**

1. TYPE OF SERVICE:

Financial management and consulting services.

2. AGENCY ADDRESS AND CONTACT PERSONS :

Accordis, Inc.  
401 Park Avenue South  
New York, New York 10016  
Attn: Robert M. Holster, President  
Telephone: (212) 685-4545

Accordis Holding Corp.  
25 Duncan Lane  
Skillman, New Jersey, 08558  
Attn: Hamilton Potter  
Telephone (609) 466-8676

3. TERM:

Effective August 31, 2005. Actual contract term July 1, 2003 through June 30, 2006.

4. FINANCIAL INFORMATION:

There is no net County cost involved in this action.

5. GEOGRAPHIC AREAS SERVED:

Countywide.

6. ACCOUNTABLE FOR MONITORING:

Patricia Adams, Division Head, Revenue Management

7. APPROVALS:

Director of Finance:

Gary W. Wells

Contracts and Grants Division:

Cara O'Neill, Chief

County Counsel (approval as to form):

Robert E. Ragland, Senior County Counsel

Contract No. H210553

ASSIGNMENT AND DELEGATION AGREEMENT

THIS ASSIGNMENT AND DELEGATION AGREEMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2005,

by and between COUNTY OF LOS ANGELES (hereafter "County"),

and ACCORDIS, INC. (hereafter "Accordis")

ACCORDIS HOLDING CORPORATION,  
INC. (hereafter "AHC, Inc.")

WHEREAS, Accordis (formerly known as Health Management Systems) provides services to County pursuant to a financial management services agreement with County, which was adopted by County's Board of Supervisors on June 1, 1999, further identified as County Contract No. H210533, and any amendments thereto, (all hereafter referred to as "Contract"); and

WHEREAS, it is the desire of Accordis to assign and delegate all of its rights, duties, obligations, responsibilities and interest, under said Contract to AHC, Inc.; and AHC, Inc. desires to assume such rights, duties, obligations, responsibilities and interest, under said Contract; and

WHEREAS, Accordis and AHC, Inc. have requested County to consent to the assignment and delegation of all such rights, duties, obligations, responsibilities and interest, under said Contract; and

WHEREAS, under the terms of Contract, such assignment and delegation of Contract, must be in writing and must be approved by County.

NOW, THEREFORE, the parties hereto agree as follows:

1. All rights, duties, obligations, responsibilities, and interests, under said Contract, to provide financial management services between Accordis and County, shall be assigned and delegated to AHC, Inc.

2. AHC, Inc. agrees to assume and receive from Accordis all rights, duties, obligations, responsibilities, and interests, in said Contract, to provide financial management services, which the parties agree shall be effective August 31, 2005.

3. AHC, Inc. agrees to abide by all terms and conditions of said Contract for financial management services between Accordis and County.

4. Accordis and AHC, Inc. agree that County shall not pay any additional monies for the provision of financial management services by either Accordis or AHC, Inc. as a result, or in the absence of, this Assignment and Delegation Agreement. To that

extent, Accordis and AHC, Inc. have separately prorated between themselves, to the extent necessary, the monthly payment due and paid to each party under the Contract prior to August 31, 2005.

5. Accordis and AHC, Inc. shall indemnify, defend, and save harmless County, its officers, employees, and agents, from and against any and all liability expense, including defense costs and legal fees, and claims for damages of any nature whatsoever in connection with any dispute between Accordis and AHC, Inc. regarding payment of monies for financial management services to either Accordis or AHC, Inc. pursuant to this Assignment and Delegation Agreement.

6. County consents to the assignment and delegation of the rights, duties, obligations, responsibilities and interests, of Accordis as described in said Contract to AHC, Inc. pursuant to this Assignment and Delegation Agreement.

7. This Assignment and Delegation Agreement shall constitute the complete understanding between County, Accordis and AHC, Inc., as it relates to the subject matter of this Assignment and Delegation Agreement.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Assignment and Delegation Agreement to be subscribed by its Director of Health Services, and Accordis

and AHC, Inc., each have caused this Delegation Agreement to be subscribed in its behalf by its duly authorized officers, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
Thomas L. Garthwaite, M.D.,  
Director and Chief Medical  
Officer

ACCORDIS, INC.  
Contractor - Assignor

By \_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

APPROVED AS TO FORM  
BY THE OFFICE OF THE  
COUNTY COUNSEL  
RAYMOND G. FORTNER  
County Counsel

Title \_\_\_\_\_  
(AFFIX CORPORATE SEAL HERE)

By \_\_\_\_\_  
Deputy

ACCORDIS HOLDING CORPORATION, INC.  
Contractor - Designee

APPROVED AS TO CONTRACT  
ADMINISTRATION:

By \_\_\_\_\_  
Signature

Department of Health Services

\_\_\_\_\_  
Print Name

By \_\_\_\_\_  
Cara O'Neill, Chief,  
Contracts and Grants  
Division

Title \_\_\_\_\_  
(AFFIX CORPORATE SEAL HERE)

pm:09/15/05  
del&assign.RM